

16th Annual Report
2007-08



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almondz
the financial powerhouse

Almondz Capital & Management Services Ltd.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Peer	- Managing Director
Mr. Govind Prasad Agrawal	- Non-Executive Director
Mr. Chand Krishna Tikku	- Non-Executive & Independent Director
Mr. Sanjay Grover	- Non-Executive & Independent Director
Mr. Shiam Sunder Lal Gupta	- Non-Executive & Independent Director

AUDITORS

M/s. H.K. Chhabra & Co.,
Chartered Accountants
324, Dhaka Chambers,
2068/38, Naiwala, Karol Bagh,
New Delhi-110 005

COMPANY SECRETARY

Mr. Ajay Pratap

BANKERS

HDFC Bank Ltd.
AXIS Bank Ltd.

**REGISTRARS & SHARE
TRANSFER AGENTS**

M/s. Beetal Financial & Computer Services (P) Ltd.
"Beetal House", 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi-110 062

REGISTERED OFFICE

4A, 3rd Floor, 3 Scindia House,
Janpath, New Delhi-110 001

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of ALMONDZ CAPITAL & MANAGEMENT SERVICES LTD., will be held on Wednesday the 24th day of September, 2008, at 11.00 A.M. at P.H.D. Chamber of Commerce & Industry, P.H.D. House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016, to transact the following business :

ORDINARY BUSINESS :

1. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
 "RESOLVED THAT the Audited Balance Sheet as at 31st March 2008 and the Profit and Loss Account of the Company for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon as presented to the meeting, be and are hereby, approved and adopted."
2. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
 "RESOLVED THAT Mr. Sanjay Grover, Director of the Company, who retires by rotation and being eligible for re-appointment, be and is hereby, re-appointed as a Director of the Company."
3. To consider and if thought fit, with or without modification(s), pass the following Resolution as an Ordinary Resolution :
 "RESOLVED THAT the retiring Auditors M/s. H. K. Chhabra & Co, Chartered Accountants, New Delhi, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company in consultation with the Audit Committee thereof."

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
 "RESOLVED THAT Mr. Chand Krishna Tikku, who was appointed as an Additional Director of the Company and who ceases to hold office as per the provisions of Section 260 of the Companies Act, 1956, at the ensuing Annual General Meeting, and in respect of whom, the Company has received a notice in writing proposing his candidature for the office of the Director as per the provisions of Section 257 of the Companies Act, 1956, be and is hereby, appointed as the Director of the Company, liable to retire by rotation."
5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
 "RESOLVED THAT Mr. Shiam Sunder Lal Gupta, who was appointed as an Additional Director of the Company and who ceases to hold office as per the provisions of Section 260 of the Companies Act, 1956, at the ensuing Annual General Meeting, and in respect of whom, the Company has received a notice in writing proposing his candidature for the office of the Director as per the provisions of Section 257 of the Companies Act, 1956, be and is hereby, appointed as the Director of the Company, liable to retire by rotation."

By Order of the Board of Directors

New Delhi
July 30, 2008

AJAY PRATAP
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN WRITING, SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Explanatory Statement for Item Nos. 4 & 5 of this Notice is annexed hereto.
3. Shareholders are requested to bring their copy of Annual Report to the Meeting.
4. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is first in the order of names, will be entitled to vote.
6. Members who hold shares in the Dematerialised form, are requested to write their Client ID and DP ID Numbers and those who hold shares in the Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for public inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. upto and inclusive of the date of the Annual General Meeting.
8. The Company has already notified the Closure of Register of Members and Share Transfer Register from 17.09.2008 to 24.09.2008 (both days inclusive) pursuant to Section 154 of the Companies Act, 1956.
9. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
10. Re-appointment/Appointment of Directors :
 At the ensuing Annual General Meeting, Mr. Sanjay Grover, Director of the Company, retires by rotation and, being eligible, offers himself for re-appointment. Mr. Sanjay Grover does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.
 Mr. Chand Krishna Tikku appointed as an Additional Director, is proposed to be appointed as a Director liable to retire by rotation.
 Mr. Shiam Sunder Lal Gupta, appointed as an Additional Director, is proposed to be appointed as a Director liable to retire by rotation.
 The information or details pertaining to these Directors, to be provided in terms of Clause 49 of Listing Agreement, are furnished in the Statement on Corporate Governance in this Annual Report.

By Order of the Board of Directors

New Delhi
July 30, 2008

AJAY PRATAP
Company Secretary



EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4

Mr. Chand Krishna Tikku was appointed as an Additional Director of the Company by the Board of Directors. Mr. Chand Krishna Tikku is Masters in Economics from Agra University, he is the former Chairman of the Central Board of Direct Taxes, and retired in 1988, He is having vast experience in the fields of taxation and accounting. He has done a study on behalf of World Bank on Reforms of Direct Tax Administration in Bangladesh.

Mr. Chand Krishna Tikku was appointed as an Additional Director of the Company w.e.f. 03.01.2008. His period of office expires at the commencement of the ensuing Annual General Meeting. The Company has received Notice under Section 257 of the Companies Act, 1956, in respect of his appointment as Ordinary Director, liable to retire by rotation, at the forthcoming Annual General Meeting. Further, in terms of Clause 49 (IV)(E)(v) of the revised Clause 49 of the Listing Agreement, Mr. Chand Krishna Tikku has intimated to the Board that he is holding 4375 Equity Shares of the Company in the joint name with his wife.

Therefore, the Board of Directors recommends the Resolution for the members' approval.

None of the Directors, except Mr. Chand Krishna Tikku, is concerned or interested in the said Resolution.

Item No. 5

Mr. Shiam Sunder Lal Gupta was appointed as an Additional Director of the Company by the Board of Directors. Mr. Shiam Sunder Lal Gupta is M.Com, LL.B, MBA & CAIIB and is Advocate at Supreme Court of India and the Delhi High Court, New Delhi. He was associated for over 3 decades with the Industrial Finance Corporation of India as its Legal Advisor and Headed the Legal Department as a Chief General Manager. Mr. Shiam Sunder Lal Gupta was also associated with M/s Orr. Dinam & Co., a renowned firm of Solicitors and Advocates in Delhi as Senior Partner. During his association he had handled the work of Supreme Court, High Courts, MRTS Commission, CLB, Arbitrators etc. As a practicing Lawyer Mr. Shiam Sunder Lal Gupta. Gupta is looking after the matters of Financial Institutions, Banks, and Public Sector Corporations like National Cooperative Development Corporation, Hauz Khas, New Delhi., National Scheduled Castes & Scheduled Tribes Finance & Development Corporation and Citibank NA, Parliament street New Delhi. Mr. Shiam Sunder Lal Gupta has got specialized knowledge and rich experience in drafting, negotiating and settling Legal Agreements and several other Legal documents for lending and raising rupee and foreign currency loans and other facilities like Suppliers, Buyers, credit, equipment leasing, Underwriting and direct subscription to shares /debentures, guarantees for deferred payments and for loans raised in and outside India.

Mr. Shiam Sunder Lal Gupta was appointed as an Additional Director of the Company w.e.f. 30.07.2008. His period of office expires at the commencement of the ensuing Annual General Meeting. The Company has received Notice under Section 257 of the Companies Act, 1956, in respect of his appointment as Ordinary Director, liable to retire by rotation, at the forthcoming Annual General Meeting. Further, in terms of Clause 49 (IV)(E)(v) of the revised Clause 49 of the Listing Agreement, Mr Shiam Sunder Lal Gupta has intimated to the Board that he does not hold any share (either in his name or in the name of any other person on a beneficial basis) in the Company.

Therefore, the Board of Directors recommends the Resolution for the members' approval.

None of the Directors, except Mr. Shiam Sunder Lal Gupta, is concerned or interested in the said Resolution.

By Order of the Board of Directors

New Delhi
July 30, 2008

AJAY PRATAP
Company Secretary

DIRECTORS' REPORT

To the Members,

The Board of Directors of your Company have pleasure in presenting the 16th Annual Report of the Company alongwith the Audited Statement of Accounts and the Auditors' Report for the Year ended 31st March, 2008.

FINANCIAL HIGHLIGHTS

Financial Results of the Company for the year under review are summarized as under :

	(Rs. in Lacs)	
	Year Ended 31.03.2008	Year Ended 31.03.2007
Gross Income	97.50	184.21
Profit Before Interest, Depreciation & Tax	47.71	105.90
Less / (Add) : Prior Period Items Expenses / (Income)	2.73	(30.50)
Less : Interest	0.18	1.05
Less : Depreciation	2.12	3.63
Less : Taxes	1.79	4.01
Net Profit After Tax	40.89	127.71
Profit Brought Forward	417.09	343.60
Profit Available for Appropriation	457.98	471.31
Appropriation		
Provision for Proposed Dividend	—	47.55
Corporate Dividend Tax	—	6.67
Balance carried forward to Balance Sheet	457.98	417.09

RESULTS

Revenues : Total revenues for the year ended March 31, 2008 amounted to Rs. 97.50 Lacs.

Profits : Profit before interest, depreciation and tax for the Financial Year 2007-08, is amounted to Rs. 47.71 Lacs. The Profit after Tax for the Financial Year is Rs. 40.89 Lacs as against Rs. 127.71 Lacs in the previous Financial Year, however, for the Financial Year ended 31st March, 2008, the surplus carried to the Balance Sheet is amounted to Rs. 457.98 Lacs as against the surplus of Rs. 417.09 Lacs in the last Financial Year ended 31st March, 2007.

NBFC REGISTRATION

The Company has filed an Application to Reserve Bank of India for registering as Non Banking Financial Company. The application is for consideration at the Central Office of RBI, Mumbai.

INVESTMENTS

Your Company had subscribed 10205000 Equity Shares of erstwhile Almondz Capital Markets Pvt. Ltd., a Company promoted by the Group, which was engaged in the stock broking business. Almondz Capital Markets Pvt. Ltd., got amalgamated with one of the group Company namely Almondz Global Securities Ltd. Consequent to the amalgamation the Company got 3401667 Equity Shares in the ratio of 1 Equity Shares for every 3 Equity Shares held in the erstwhile Company. The consolidated holding along with the previous holding in Almondz Global Securities Ltd., is 11802667 Equity Shares.



Almondz Capital & Management Services Ltd., has also Invested in other Group Companies which includes 255000 Equity Shares of Almondz Insurance Brokers Pvt. Ltd., and 5000 Equity Shares of Latitude 23 Communications Ltd.

DIVIDEND

It is felt for your Company to conserve the resources, your Directors have decided not to recommend any dividend on the Equity Shares of the Company for the current Financial Year.

INCREASE IN SHARE CAPITAL

During the year 2007-08, your Company made a Preferential Issue of 505900 Equity Shares. The Equity Shares were allotted to one of the Promoters namely M/s Innovative Money Matters Pvt. Ltd. and to Dharmayug Investments Ltd. (Bennett Coleman Group) which were all subscribed. Subsequent to Preferential Issue, the Paid-up Share Capital of the Company increased from Rs.101608131/- to Rs. 106667131/- consisting of 10015900 Equity Shares fully paid-up of Rs. 10/- each.

FIXED DEPOSITS

The amount of the unclaimed deposits of Rs. 1.33 Lacs, lying in the Escrow Account maintained with HDFC Bank Ltd. (formerly Centurion Bank of Punjab Ltd.) along with the interest accrued thereon, were transferred to the Investor Education & Protection Fund (IEPF) on 9th January 2007 pursuant to Section 205C of the Companies Act, 1956. During the year under report, the Company has not accepted any deposit from public. There is no deposit with the Company now.

SUBSIDIARY COMPANIES

The Company had two subsidiaries, viz., Almondz Capital Markets Private Limited and Almondz Commodities Private limited. Consequent to the order of the Hon'ble High Court of Delhi, Almondz Capital Markets Private Limited got merged on 31st March 2008, with one of the Group Company namely Almondz Global Securities Limited and therefore ceased to be the subsidiary of your Company. Almondz Commodities Private Limited which was subsidiary of Almondz Capital Markets Private Limited also ceased to be subsidiary of your Company, consequent upon merger of Almondz Capital Markets Private Limited.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, covering matters listed in Clause 49 of the Listing Agreement for the year under review, is given as a separate statement elsewhere in the Annual Report.

DIRECTORS

During the year under report the Company has lost one of its Directors Mr. Mahendra Kumar Aggarwal due to his sudden demise. The Board places on record its heartfelt condolence and pray God that his soul lie in peace.

Mr. Chand Krishna Tikku was appointed as an Additional Director of the Company w.e.f. 03.01.2008. His period of office expires at the commencement of the ensuing Annual General Meeting. The Company has received Notice under Section 257 of the Companies Act, 1956, in respect of his appointment as Ordinary Director, liable to retire by rotation, at the forthcoming Annual General Meeting.

Mr. Shiam Sunder Lal Gupta was appointed as an Additional Director of the Company w.e.f. 30.07.2008. His period of office expires at the commencement of the ensuing Annual General Meeting. The Company has received Notice under Section 257 of the Companies Act, 1956, in respect of his appointment as Ordinary Director, liable to retire by rotation, at the forthcoming Annual General Meeting.

Mr. Sanjay Grover, Director of the Company, is due to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

A brief resume of the Directors being appointed/re-appointed, nature of their expertise in the specific functional areas, and names of companies in which they hold the Directorship and /or Membership / Chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement, are given in the Statement of Corporate Governance elsewhere in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (a) that in preparation of the Balance Sheet and the Profit & Loss Account of the Company, the applicable accounting standards have been followed alongwith the proper explanation relating to the material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the annual accounts on a going concern basis.

AUDITORS AND AUDITORS' REPORT

M/s H. K. Chhabra & Co., Chartered Accountants, Statutory Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting are recommended for re-appointment as Auditors of the Company. A letter from them confirming that, if they are re-appointed as the Statutory Auditors of the Company, such appointment will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956, and they are not disqualified in terms of Section 226 of the Companies Act, 1956, from being appointed as the Statutory Auditors of the Company, has been received.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

STATUTORY STATEMENT

The statements, pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, with respect to the conservation of energy, technology absorption, foreign exchange earnings and outgo, and pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, with respect to the employee(s) of the Company drawing remuneration exceeding the sum prescribed therein, are not applicable to your Company.

Your Company has not accepted any Fixed Deposits during the year under review.

The Equity Shares of the Company are listed at Delhi Stock Exchange Ltd. and Bombay Stock Exchange Ltd. and the Annual Listing fees have been paid to each of these Stock Exchanges.

CORPORATE GOVERNANCE

The Company continues to comply with the requirement of the Listing Agreements with the Stock Exchanges where the Company's Shares are listed. In addition to the basic governance issues, the management lays strong emphasis on transparency, accountability and integrity.

In terms of the provisions under Clause 49 of the Listing Agreements, your Company has complied with requirements of Corporate Governance and a report on Corporate Governance together with a Certificate from the Auditors of the Company confirming compliance of Clause 49 of the Listing Agreements is attached in this Report.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance, co-operation and trust reposed in your Company by the Investors, Banks, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other Government Authorities during the financial year under review.

Your Directors also wish to place on record their sincere appreciation of the contribution made by the Employees of the Company and are thankful to the Shareholders for their continued patronage and support.

For and on behalf of the Board of Directors

New Delhi
July 30, 2008

GOVIND PRASAD AGRAWAL
Director

RAMESH PEER
Managing Director

CORPORATE GOVERNANCE REPORT

Corporate Governance is the combination of voluntary practices and compliances with laws and regulations leading to effective control and management of the Company. The Company believes in fair business practice and good Corporate Governance.

The detailed report on the implementation by the Company, of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreements with the Stock Exchanges is set out below :

1. COMPANY'S PHILOSOPHY ON GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of the business and in meeting its obligation to all its stakeholders. It aims to align interests of the Company with its shareholders and other key stakeholders.

The Company is prompt in observing standards of good governance by maintaining transparency, efficiency, full disclosure of every transaction, etc. in order to protect the rights and interests of the shareholders at large, besides achieving the overall organization goals and objectives.

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors :

The Board of Directors of the Company consists of 5 (Five) Directors. The composition and the category of Directors as well as the Number of Directorship in other Companies and Number of Chairmanship / Membership in other Board Committees are as under :

Sl. No.	Name	Date of Joining the Board	Category	No. of Directorship in other Companies*		No. of Membership / Chairmanship in other Board Committees**	
				Public	Private	Member	Chairman
1.	Mr. Ramesh Peer	08.07.2006	Managing Director	—	—	—	—
2.	Mr. Govind Prasad Agrawal	19.03.2007	Non-Executive Director	5	1	2	—
3.	Mr. Chand Krishna Tikku	03.01.2008	Non-Executive Director	2	—	2	—
4.	Mr. Sanjay Grover	08.07.2006	Non-Executive Director	—	1	—	—
5.	Mr. Shiam Sunder Lal Gupta	30.07.2008	Non-Executive Director	2	—	—	2

* This does not include Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

** The Committees includes only Audit Committees and Share Transfer and Investor Grievance Committees.

During the year under review 9 (Nine) Board Meetings were held as under :

Meetings of Board of Directors	Date of Meetings
	30th April, 2007
	8th June, 2007
	18th June, 2007
	30th July, 2007
	6th August, 2007
	30th October, 2007
	6th December, 2007
	3rd January, 2008
	31st January, 2008

The attendance of the individual Directors in the aforesaid meetings was as follows :

Name of Directors	No. of Board Meetings Attended
Mr. Ramesh Peer	9
Mr. Govind Prasad Agrawal	9
Mr. Sanjay Grover	6
Mr. Chand Krishna Tikku	2
Mr. Mahendra Kumar Aggarwal*	8

Mr. Mahendra Kumar Aggarwal, Director of the Company, ceased to be a Director of the Company w.e.f. 28.04.2008 on account of his sudden demise.

(b) Brief Particulars of Directors being Appointed / Re-appointed :

Information in case of appointment or reappointment of Directors as required under Listing Agreements.

Mr. Sanjay Grover retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Chand Krishna Tikku was appointed as an Additional Director is proposed to be appointed as a Director liable to retire by rotation.

Mr. Shiam Sunder Lal Gupta was appointed as an Additional Director is proposed to be appointed as a Director liable to retire by rotation.

A brief resume and other information as required under Clause 49 (VI)(G) in respect of the above mentioned Directors are as under :

Mr. Sanjay Grover

Mr. Sanjay Grover is a Fellow Member of The Institute of Company Secretaries of India as well as a Fellow Member of The Institute of Chartered Accountants of India. Presently Mr. Sanjay Grover is a Council Member of The Institute of Company Secretaries of India. Mr. Sanjay Grover is a Company Secretary in Whole time practice having rich experience in corporate field.

Mr. Sanjay Grover is Proprietor of the Sanjay Grover and Associates and also serves on the Board of SGA Consulting Pvt. Ltd.

Mr. Chand Krishna Tikku

Mr. Chand Krishna Tikku is Masters in Economics from Agra University, he is the former Chairman of the Central Board of Direct Taxes, and retired in 1988. He is having vast experience in the fields of taxation and accounting. He has done a study on behalf of World Bank on Reforms of Direct Tax Administration in Bangladesh.

Mr. Chand Krishna Tikku also serves on the Board of Benaras House Ltd., and Seasons Textiles Ltd.

Mr. Shiam Sunder Lal Gupta

Mr. Shiam Sunder Lal Gupta is M.Com, LL.B, MBA & CAIIB. Mr. Shiam Sunder Lal Gupta is an Advocate at Supreme Court of India and the Delhi High Court, New Delhi. He was Legal Advisor in the Industrial Finance Corporation of India and Headed the Legal Department as a Chief General Manager. Mr. Shiam Sunder Lal Gupta was also associated with M/s Orr. Dinam & Co., a renowned firm of Solicitors and Advocates in Delhi as Senior Partner.

At Present Mr. Shiam Sunder Lal Gupta is a practicing Lawyer and looking after the matters of Financial Institutions, Banks, and Public Sector Corporations like National Cooperative Development Corporation, Hauz Khas, New Delhi., National Scheduled Castes & Scheduled Tribes Finance &